

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2004

	June-04					March-04				December-03				September-03				Current FYTD	Prior Year FY03	3 Years Ended 6/30/2003	5 Years Ended 6/30/2003
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																					
Structured Growth																					
Los Angeles Capital	444,664	2.3%	2.3%	2.95%	1.80%	461,868	2.3%	2.3%	-0.33%	465,913	2.4%	2.3%	9.14%	436,535	2.3%	2.3%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	0	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
Total Structured Growth	444,664	2.3%	2.3%	2.95%	1.80%	461,868	2.3%	2.3%	-0.33%	465,913	2.4%	2.3%	9.14%	436,535	2.3%	2.3%	4.99%	17.58%	-1.88%	-21.24%	-6.07%
Russell 1000 Growth				1.94%	1.25%				0.79%				10.41%				3.92%	17.88%	2.94%	-21.54%	-5.03%
Structured Value																					
LSV																					
Russell 1000 Value	450,404	2.3%	2.3%	2.33%	3.97%	456,947	2.3%	2.3%	6.26%	470,608	2.4%	2.3%	15.69%	416,677	2.2%	2.3%	3.78%	30.56%	-2.25%	8.84%	3.73%
				0.88%	2.36%				3.03%				14.19%				2.06%	21.13%	-1.02%	-0.19%	1.05%
Russell 1000 Enhanced Index																					
LA Capital	923,600	4.7%	4.5%	-0.09%	2.15%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Russell 1000				1.40%	1.80%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
S&P 500 Enhanced Index																					
Westridge	898,706	4.6%	4.5%	-0.26%	1.95%	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
S&P 500				1.72%	1.94%				N/A				N/A				N/A	N/A	N/A	N/A	N/A
Index																					
State Street	270,921			1.68%	1.92%	183,932			1.68%	2,108,750			12.15%	1,922,673			2.64%	19.01%	0.23%	-11.28%	-1.69%
Transition Account	-			N/A	N/A	1,858,688			N/A	N/A			N/A	N/A			N/A	N/A	N/A	N/A	N/A
Total Index	270,921	1.4%	1.5%	1.68%	1.92%	2,042,620	10.1%	10.5%	1.68%	2,108,750	10.7%	10.5%	12.15%	1,922,673	10.2%	10.5%	2.64%	19.01%	0.23%	-11.28%	-1.69%
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	2,988,295	15.2%	15.0%	1.96%	2.28%	2,961,435	14.7%	15.0%	2.91%	3,045,271	15.4%	15.0%	12.21%	2,775,884	14.7%	15.0%	3.16%	21.46%	-0.48%	-9.33%	-1.90%
S&P 500				1.72%	1.94%				1.69%				12.18%				2.64%	19.11%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY																					
Manager-of-Managers																					
SEI	1,009,926	5.1%	5.0%	-0.91%	3.15%	972,537	4.8%	5.0%	6.66%	1,012,326	5.1%	5.0%	14.88%	945,617	5.0%	5.0%	9.54%	32.99%	0.09%	N/A	N/A
Russell 2000 + 200bp				0.98%	4.38%				6.78%				15.07%				9.60%	35.99%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	1,009,926	5.1%	5.0%	-0.91%	3.15%	972,537	4.8%	5.0%	6.66%	1,012,326	5.1%	5.0%	14.88%	945,617	5.0%	5.0%	9.54%	32.99%	0.09%	-3.49%	1.64%
Russell 2000				0.47%	4.21%				6.26%				14.52%				9.07%	33.36%	-1.63%	-3.30%	0.97%
CONVERTIBLES																					
TCW	2,040,775	10.4%	10.0%	2.30%	2.54%	2,076,140	10.3%	10.0%	2.51%	2,025,651	10.3%	10.0%	9.99%	1,851,333	9.8%	10.0%	1.86%	17.50%	10.23%	-9.51%	3.90%
First Boston Convertible Index				-0.13%	1.19%				2.57%				8.54%				2.67%	14.16%	15.46%	-3.77%	5.29%
INTERNATIONAL EQUITY																					
Large Cap - Active																					
Capital Guardian	1,540,577	7.9%	8.0%	-1.02%	1.01%	1,653,324	8.2%	8.0%	3.54%	1,586,707	8.0%	8.0%	13.07%	1,508,615	8.0%	8.0%	8.18%	25.36%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-15.51%	-5.33%
Small Cap - Value																					
Lazard	211,718	1.1%	1.0%	4.81%	4.19%	222,081	1.1%	1.0%	8.63%	203,212	1.0%	1.0%	14.50%	204,763	1.1%	1.0%	9.92%	43.30%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				-0.16%	4.60%				12.80%				13.31%				15.95%	47.95%	N/A	N/A	N/A
Small Cap - Growth																					
Vanguard	202,592	1.0%	1.0%	-0.03%	3.37%	208,508	1.0%	1.0%	10.37%	218,051	1.1%	1.0%	14.06%	198,660	1.1%	1.0%	14.95%	44.68%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-0.16%	4.60%				12.80%				13.31%				15.95%	47.95%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,954,887	10.0%	10.0%	-0.20%	1.61%	2,083,913	10.4%	10.0%	4.79%	2,007,970	10.2%	10.0%	13.32%	1,912,038	10.1%	10.0%	9.00%	29.16%	-9.20%	-15.51%	0.27%
MSCI EAFE - 50% Hedged				1.16%	2.28%				4.09%				13.15%				6.58%	26.98%	-11.24%	-15.51%	-5.33%
DOMESTIC FIXED INCOME																					
Core Bond																					
Western Asset	3,396,907	17.3%	16.7%	-1.94%	1.00%	5,137,613	25.5%	25.0%	2.96%	5,000,902	25.3%	25.0%	1.61%	4,862,313	25.8%	25.0%	-0.17%	2.42%	12.77%	11.23%	8.12%
Lehman Aggregate				-2.44%	0.57%				2.66%				0.32%				-0.14%	0.32%	10.39%	10.07%	7.54%
Index																					
Bank of ND	4,405,323	22.5%	25.0%	-2.47%	0.34%	2,826,996	14.0%	15.0%	3.01%	2,679,829	13.6%	15.0%	0.07%	2,659,877	14.1%	15.0%	-0.46%	0.07%	13.26%	10.87%	7.78%
Lehman Intermediate Gov/Credit (1)				-2.52%	0.30%				3.08%				-0.03%				-0.50%	-0.05%	13.14%	10.82%	7.83%
BBB Average Quality																					
Strong	1,884,950	9.6%	8.3%	-3.47%	0.55%	2,083,302	10.4%	10.0%	3.30%	2,070,045	10.5%	10.0%	1.46%	2,038,313	10.8%	10.0%	0.02%	1.18%	17.91%	N/A	N/A
Lehman US Credit BAA				-2.86%	1.19%				3.41%				1.22%				0.27%	1.96%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	9,687,180	49.4%	50.0%	-2.51%	0.61%	10,047,910	49.9%	50.0%	3.05%	9,750,775	49.4%	50.0%	1.15%	9,560,503	50.6%	50.0%	-0.21%	0.79%	13.18%	10.80%	7.81%
Lehman Gov/Credit				-3.17%	0.41%				3.08%				-0.03%				-0.50%	-0.72%	13.14%	10.82%	7.83%
CASH EQUIVALENTS																					
Bank of ND	1,939,413	9.9%	10.0%	0.31%	0.12%	1,983,569	9.9%	10.0%	0.29%	1,909,866	9.7%	10.0%	0.29%	1,834,125	9.7%	10.0%	0.30%	1.20%	1.57%	3.26%	4.15%
90 Day T-Bill				0.24%	0.07%				0.24%				0.26%				0.25%	0.98%	1.52%	3.33%	4.08%
TOTAL FIRE & TORNADO FUND	19,620,476	100.0%	100.0%	-0.69%	1.29%	20,125,505	100.0%	100.0%	2.96%	19,751,860	100.0%	100.0%	5.41%	18,879,500	100.0%	100.0%	2.04%	9.98%	7.25%	1.67%	4.94%
POLICY TARGET BENCHMARK				-1.18%	1.06%				2.80%				4.65%				1.59%	8.00%	7.25%	2.12%	4.52%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.